



SunUniversalLife II : A pathway to building an investment mix

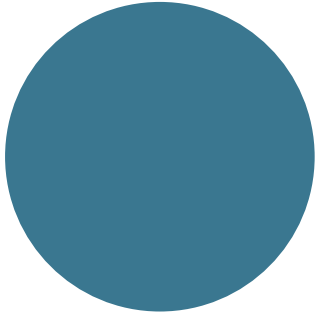
Helping Clients achieve their goals starts with choosing the right approach. This piece is designed to support you in selecting the appropriate investment mix within a SunUniversalLife II policy, based on each Client's needs, goals, and comfort with risk.

This thoughtful approach gives Clients confidence that their strategy is designed with their unique circumstances in mind, while offering the flexibility to adapt as those needs evolve. Regular reviews help ensure portfolios continue to support both immediate priorities and long-term goals, even as life events and market conditions change.

Overview of SunUniversal Life II investment approach

- SunUniversal Life II combines life insurance protection with diversified investment options to help build tax-preferred growth over time.
- Flexible investment allocation gives policyholders the ability to allocate funds across guaranteed accounts, diversified accounts, and managed funds based on risk tolerance.
- Tax-preferred growth supports policyholders by helping their policy perform efficiently over time, while maintaining the life insurance protection they rely on.
- Using a tailored investment approach gives Client's confidence that their choices align with their goals and comfort with risk. Aligning these profiles with Universal Life insurance: [Selecting your investment account mix](#) helps ensure portfolios are thoughtfully designed to meet each Client's specific needs.

Guaranteed sample portfolio – capital preservation and stability strategy



● Fixed income 100%

Expected experience

- Stable returns
- Minimal to no fluctuation
- Limited growth potential

Sample accounts

Single account solutions

- SLDA

Diversified solutions

- Not applicable for this capital-preservation strategy; an equity-only combination would not provide the same stability or capital protection.

Focus on capital preservation

This portfolio prioritizes protecting capital from market volatility and downturns to ensure safety of investments.

The portfolio emphasizes stability and security, helping ensure assets are preserved even during periods of market volatility.

Stable and predictable returns

Investment options typically provide steady, consistent returns with minimal fluctuations, ideal for conservative investors.

Suitable for low risk tolerance

Designed for investors needing liquidity and low risk, especially retirees or near-term fund users.

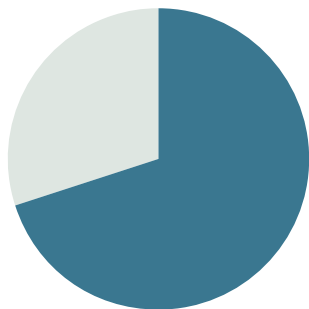
Trade-off: limited growth potential

The portfolio's stability comes with lower returns compared to market-based options, reflecting a balanced approach.

Designed for capital preservation and short-term needs

Investors with a very low tolerance for risk, prioritize stability, liquidity, and protection from market fluctuations. It aligns well with short-term funding needs, retirement income needs, and Clients who value predictable returns over capital growth.

Conservative sample portfolio – income stability with modest growth



● Fixed income 70% ● Equity 30%

Expected experience

- Low volatility
- Steady income profile
- Gradual long-term growth

Sample accounts

Single account solutions

- 100% Sun Life Granite Conservative Portfolio

Diversified solutions

- 40% SLDA
- 30% Sun Life MFS Canadian Bond
- 10% Sun Life MFS Canadian Equity
- 20% Sun Life MFS Global Value

Balanced portfolio allocation

The conservative portfolio typically allocates 70% to fixed income and 30% to equities*. This structure is designed to prioritize capital preservation, while maintaining a limited allocation to growth of assets.

Performance and stability

Fixed income investments help reduce overall portfolio volatility and support more stable performance through changing market environments.

Modest growth potential

A smaller equity allocation introduces potential for measured capital appreciation, helping to offset inflation and preserve purchasing power over time. This approach allows for some participation in market growth while maintaining a conservative risk profile.

Suitability for conservative investors

This portfolio suits risk-averse investors seeking income stability and gradual appreciation, such as retirees.

Designed for conservative investment objectives

Investors with low risk tolerance seek income stability, capital preservation, and modest long-term growth. It aligns well with retirees, near-retirees and Clients who want limited market exposure while maintaining some opportunity to preserve purchasing power.

* Sunlife Granite Conservative portfolio targets 65% fixed income/ 35% equity breakdown

Moderate sample portfolio - balanced income growth strategy



● Fixed income 50% ● Equity 50%

Expected experience

- Moderate ups and downs
- Diversified performance
- Balanced return profile

Sample accounts

Single account solutions

- 100% Sun Life Granite Moderate Portfolio

Diversified solutions

- 30% SLDA
- 20% Sun Life MFS Canadian Bond
- 15% Sun Life MFS Canadian Equity
- 25% Sun Life MFS Global Value
- 10% Sun Life MFS U.S. Equity

Portfolio composition

The Moderate Portfolio consists of 50% equities and 50% fixed income. This balanced structure is designed to support capital appreciation and income while helping manage volatility through diversification.

Growth and stability balance

Equities provide exposure to domestic and global market growth opportunities, while fixed-income investments help smooth returns and support a more stable investment experience through market cycles.

Investor suitability

Ideal for investors with a moderate tolerance for risk who want a balanced mix of income, stability, and long-term growth. It aligns well with Clients who can accept some market variability while valuing diversified performance.

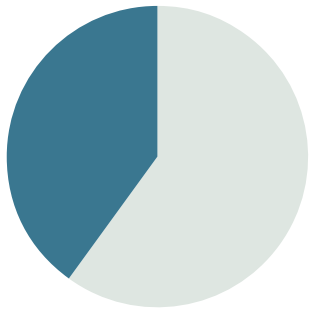
Long-term benefits

The diversified allocation supports measured long-term growth while maintaining a stabilizing component that can help support policy costs and changing Client needs.

Designed for moderate risk and balanced outcomes

Investors with a moderate tolerance for risk who want a balanced approach to income, stability, and long-term growth. It aligns well with Clients seeking meaningful diversification and a smoother investment experience than a more equity-heavy strategy.

Balanced 60/40 sample portfolio – long-term growth with stability



● Fixed income 40% ● Equity 60%

Expected experience

- Growth-oriented
- Manageable volatility
- Diversified outcomes

Sample accounts

Single account solutions

- 100% Sun Life Granite Balanced Portfolio

Diversified solutions

- 20% SLDA
- 20% Sun Life MFS Canadian Bond
- 18% Sun Life MFS Canadian Equity
- 20% Sun Life MFS Global Value
- 22% BlackRock Global Equity Index

Portfolio composition

The Balanced 60/40 Portfolio consists of 60% equities and 40% fixed income. This diversified structure is designed to capture meaningful growth opportunities while maintaining a strong foundation of stability.

Growth and stability balance

Equities serve as the primary driver of long-term capital appreciation, providing exposure to global markets and economic growth. Fixed-income investments help dampen the impact of market volatility and can be used to cover cost of insurance charges, while equities provide additional growth potential.

Investor suitability

Ideal for investors with moderate to moderately high-risk tolerance who seek a balance between growth and stability. It aligns with individuals focused on long-term goals while valuing a smoother investment experience.

Long-term benefits

The diversified allocation balances risk and reward, supporting sustained growth with manageable volatility.

Designed for moderate risk and balanced outcomes

Investors with a moderate to moderately high tolerance for risk who seek long-term growth with a meaningful measure of stability. It aligns well with Clients who have a longer investment horizon and are comfortable with manageable market fluctuations in pursuit of capital appreciation.

Balanced growth portfolio – growth-oriented strategy for long-term investors



● Fixed income 30% ● Equity 70%

Expected experience

- Noticeable fluctuations
- Strong growth potential
- Less reliance on cash stability

Sample accounts

Single account solutions

- 100% Sun Life Granite Balanced Growth Portfolio

Diversified solutions

- 15% SLDA
- 15% Sun Life MFS Canadian Bond
- 20% Sun Life MFS Canadian Equity
- 20% Sun Life MFS Global Value
- 30% BlackRock Global Equity Index

Portfolio composition

Balanced Growth has 70% equities and 30% fixed income. This structure is designed to prioritize capital appreciation while maintaining a stabilizing component to help manage risk and support consistency through market cycles.

Long-term growth focus

This strategy prioritizes capital appreciation over time by leveraging equity market performance domestically and globally. By remaining invested through market cycles the portfolio is positioned to benefit from compounding returns and long-term market expansion.

Risk and volatility

With a higher allocation to equities, investors should expect periods of short-term market volatility and fluctuations in portfolio value. This variability is a natural part of pursuing stronger long-term returns and maintaining a disciplined long-term perspective is critical to achieving growth objectives. Regular review and management of this type of portfolio is critical.

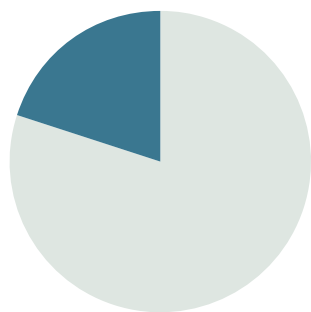
Diversification benefits

Exposure across sectors, geographies, and investment styles enhances the portfolio's ability to capture growth opportunities while reducing reliance on any single market or asset class. This diversification helps improve resilience during periods of market uncertainty.

Designed for growth-oriented long-term investors

Investors with a moderately high tolerance for risk and a long-term outlook who prioritize capital appreciation. It aligns well with Clients who are comfortable with noticeable market fluctuations and want broad diversification while retaining a stabilizing component.

Growth sample portfolio – income stability with modest growth



● Fixed income 20% ● Equity 80%

Expected experience

- Higher volatility
- Significant market exposure
- Highest growth potential

Sample accounts

Single account solutions

- 100% Sun Life Granite Growth Portfolio

Diversified solutions

- 10% SLDA
- 10% Sun Life MFS Canadian Bond
- 25% Sun Life MFS Canadian Equity
- 15% Sun Life MFS Global Value
- 40% BlackRock Global Equity Index

Growth portfolio allocation

This growth-oriented portfolio emphasizes capital appreciation, typically allocating approximately 70–90% to equities, with a smaller allocation to fixed income for diversification and downside resilience.

Capital growth focus

A higher equity allocation is designed to capture long-term market growth opportunities, helping investors build wealth over time through exposure to global markets and sectors.

Higher return potential with increased volatility

Equities provide the opportunity for stronger long-term returns, though investors should expect greater short-term fluctuations and be comfortable with market volatility.

Diversification and strategic balance

A modest allocation to fixed income and diversified equity exposure across regions and asset classes helps manage risk while maintaining a strong growth trajectory.

Designed for long-term investment horizons

Investors with long-term outlooks who are comfortable with market variability in pursuit of higher growth. It aligns well with a focus on wealth accumulation, retirement planning and intergenerational transfer.

Annual portfolio review – importance of regular review and adjustments

Periodic portfolio review

Periodic reviews help ensure the portfolio remains aligned with evolving financial objectives, market conditions and long-term growth expectations. They help ensure that the long-term viability of the Universal Life plan is never in jeopardy. This disciplined approach supports proactive decision-making rather than reactive changes.

Rebalancing assets

Over time, market movements can shift the portfolio away from its intended allocation. Rebalancing realigns holdings to the target mix, helping to manage risk while preserving the portfolio's long-term growth profile.

Adapting to life changes

As personal circumstances evolve – such as career progression, retirement planning, or changes in financial goals – the investment strategy can be adjusted to remain relevant and ensure the critical life insurance coverage remains intact and support long-term planning goals.

Collaborative strategy

Ongoing collaboration with advisors helps capitalize on opportunities and mitigate risks effectively.

Summary

The SunUniversalLife II investment approach provides a comprehensive framework for meeting Clients financial goals while maintaining essential life insurance protection. By offering five distinct portfolio options -ranging from Guaranteed and Conservative strategies to Growth-oriented approaches - Sun Life enables Clients to select investment allocations that align with their individual risk tolerance, time horizons, and financial objectives.

This disciplined, Client-centred approach—combining diversified investment options, tax-advantaged growth, and collaborative advisor support - helps Clients maintain reliable, long-term security while giving them the ability to adjust their policy as their circumstances evolve.